

Nolichucky (Davy Crockett) Reservoir - Request for Tennessee Valley Authority Land Use and Section 26a Approval for Expansion of Nolichucky Sand Company, Inc. (NSC) Existing Reservoir Sand Mining Operations - Tract Nos. NOR-14A, -14, -15, -16, -21B, -41, -42 and -43 - Bird Bridge Dredge, Nolichucky River Mile (NRM) 50.1 to 51.0L, Greene County, Tennessee - Supplemental Environmental Assessment (SEA) and Finding of No Significant Impact (FONSI)

Purpose and Need

In June 2003, Nolichucky Sand Company, Inc. (NSC), recently acquired by Vulcan Materials, Inc., proposed to expand its existing commercial sand dredging operation on Nolichucky (Davy Crockett Lake) Reservoir to include an additional reach between Nolichucky River Mile (NRM) 50.1 and NRM 51.0. To resolve violations of Tennessee Water Quality Control Act of 1977 by the previous owner, NSC has agreed that neither the previously authorized dredging nor the proposed additional dredging upstream of Bird Bridge would resume until a sediment detention basin is constructed and approved. Tennessee Valley Authority (TVA) and U.S Army Corps of Engineers (USACE) prepared this SEA to analyze the environmental impacts of the additional dredging proposal and renewal of land use and permit approvals required for NSC's current operations.

NSC has a Section 26a permit for its current operations. NSC is seeking approval to continue use of a graded and graveled ramp for launch and retrieval of its barge, along with approval for piping and flotation for support of its suction line to the separation plant and the submerged return (effluent) water discharge pipe from the plant via a new detention sediment basin. In addition, NSC is seeking approval of an existing water discharge pipe to its permit. It now owns or leases a total of 5.6 acres of yard area surrounding its sand separation plant. NSC activities requiring land use authorization, including additional reservoir-bottom dredging, would affect portions of several tracts of TVA land. New TVA Section 26a and land use authorizations, including any conditions of approval, would supercede prior approvals issued in September 1999.

To ensure that the integrity of its foundation is not compromised, NSC would not dredge within 500 feet upstream or downstream of Bird Bridge, located at NRM 50.2. Except for this 1,000-foot distance, NSC would operate its dredge within an area of roughly 60 surface acres approximating the original river channel. Including the area previously approved, this would include excavating Nolichucky Reservoir-bottom deposits (i.e., silt, sand, and gravel-bed load) between NRM 49.0 and 51.0. Stockpiled sand, dredged debris disposal, and material periodically removed from the sediment basin would be disposed of above the Nolichucky River 500-year floodplain.

See the attached SEA and 1999 EA and TVA FONSI which describe environmental resources, affects, and commitments associated with the previously authorized operation.

Alternatives

Under the Action Alternative, TVA would issue a conditional Section 26a permit and TVA would approve a land use license affecting 60 acres. Impact avoidance and/or mitigation measures would be included as conditions of approval, including the mitigation measures listed in the attached 1999 EA. Under the Action Alternative, water quality in this reach of the river would be expected to be maintained or improved slightly. Minor fisheries and aquatic ecological benefits of bottom sediment removal would continue and increase. Potential indirect effects on waterfowl use of the WMA would be avoided or otherwise minor. Because the river would be deepened, recreational boat navigation in this reach and in the vicinity of the Bird Bridge boat ramp (operated by TWRA) would be improved. NSC would retain six full-time hourly jobs for the longer term and provide a commercially valued product beneficial to the economy inside and outside Greene County. Estimated product sales are projected to be likely in excess of \$1 million per year.

Under the No Action Alternative, TVA would not issue a new Section 26a permit and would not approve use of additional fee-owned land. Since sand has not been replenished in the previously dredged area at an acceptable rate, NSC could abandon the operation altogether. Any additional employment and positive local and regional economic benefits would be foregone. Water quality benefits could be reduced, while minor positive recreation and fisheries and aquatic ecological impacts of sediment removal would also be foregone. Public use and its associated values previously occurring on these tracts would be restored. Water quality benefits could be reduced; while minor positive recreation and fisheries and aquatic ecological impacts of sediment removal would also be foregone. There would be no indirect effects on the WMA or wildlife which seasonally occur or permanently occupy the site. See the attached EA for a description of effects of increased costs if commercial sand production would have to be supplied by NSC from its other dry land operations.

Public and Intergovernmental Review

See the Public Involvement section of the attached EA.

In response to Joint Public Notice 2003-100, in its letter of January 21, 2004, the U.S. Fish and Wildlife Service (USFWS) indicated that no federally listed or proposed endangered or threatened species occur within the impact area of the project. Based upon the best information available at this time, USFWS believes that the requirements of Section 7 of the Endangered Species Act of 1973, as amended, are fulfilled. Furthermore, USFWS does not anticipate significant adverse impacts to fish and wildlife or their habitats provided conditions listed in TDEC Public Notice No. M2003-08 are followed. Therefore, USFWS does not object to issuance of a permit for the work described. In its letter of March 8, 2004, Tennessee Historical Commission concurs that there are no NRHP-listed or -eligible properties affected by this undertaking.

TDEC issued ARAP #M2003-11 and NPDES Permit # TN0072303 (permit renewal) on April 1 and April 7, 2004, respectively, authorizing the project.

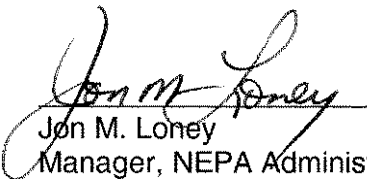
Mitigation

Impact avoidance and/or mitigation measures included in the attached 1999 EA, which is incorporated by reference, will be included as conditions of approval. As indicated in its plans and to avoid compromising the structural integrity of the bridge and its foundation, NSC has agreed that no sand dredging will occur within 500 feet upstream or downstream of Bird Bridge.

From the standpoint of flood control, the proposed expansion would have no impacts provided the following conditions are included in any transfer or license agreement document(s). NSC would agree that stockpiled sand will be stored and contained on land above the 1,269.1-foot contour, and every precaution will be made to prevent the reentry of the sand into the reservoir. Dredged debris and material periodically removed from the sediment basin would be disposed of above the Nolichucky River 500-year floodplain (elevation 1,275-foot mean sea level). Any future facilities or equipment subject to flood damage will be located above or flood-proofed to the 500-year flood elevation at that location. Any future development proposed within the limits of the 100-year floodplain will be consistent with the requirements of Executive Order 11988. NSC will be advised that TVA retains the right to flood this area and that TVA will not be liable for damages resulting from flooding.

Conclusion and Findings

Based on analysis in this FONSI, conclusions, and commitments incorporated by reference in the previously completed assessment (attached), TVA's site inspection and detailed review of NSC's development and operational plans, TVA concludes that continued and expanded sand dredging of the Nolichucky (Davy Crockett) Reservoir, between NRM 49.0 and 51.0 would not be a major federal action significantly affecting the quality of the environment. Based on review of plans, including development and operation of an on-site sediment control basin, TVA has determined that continued and expanded sand dredging operations would not adversely impact water quality in the Nolichucky River. No significant impacts on wetlands, endangered species, or historic properties would occur. Effects of sediment removal on fisheries and aquatic ecology are expected to be incrementally small, but beneficial. Accordingly, an environmental impact statement is not required.



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Date